# Newfield Production Company Ute Tribal 4-22-4-1W SW/SW Section 15, T4S, R1W Duchesne County, UT

#### **Drilling Program**

#### 1. Formation Tops

Uinta	surface
Green River	1,995'
Wasatch	6,895'
TD	7,360'

#### 2. Depth to Oil, Gas, Water, or Minerals

Base of Moderately Saline
Green River
Wasatch

325'
1,995' - 6,895'
6,895' - TD

(Water)
(Oil)
(Oil)

#### 3. Pressure Control

Section BOP Description

Surface 12-1/4" diverter bowl

Production The BCP and related equipment shall meet the minimum requirements of Onshore of and cas Order No. 2 for equipment and testing requirements, procedures, etc

for a 2M system

A 2M BOP system will consist of 2 ram preventers (double or two singles) (see attached diagram). A choke manifold rated to at least 2,000 psi will be used.

#### 4. Casing

Description	In	terval	Weight	ght Grade Coup Pres		Pore Press @	MW @	(Frad	Safety Factors			
Description	Тор	Bottom	(ppf)	Grade		Shoe	Shoe	@ Shoe	Burst	Collapse	Tension	
Surface	0'	500'	24	J-55	STC	8.33	8.4	12	2,950	1,370	244,000	
8 5/8	U	300	24	1-33	SIC	6.33	0.4	12	10.24	8.14	20.33	
Production	01	7.2601	15.5	J-55	LTC	9.6	0.0	15.4	4,810	4,040	217,000	
5 1/2	0'	7,360'	15.5	1-33	LIC	8.6	8.8	15.4	1.88	1.53	1.90	

#### Assumptions:

Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)

Production casing MASP = (reservoir pressure) - (gas gradient)

All collapse calculations assume fully evacuated casing with a gas gradient

All tension calculations assume air weight of casing

Gas gradient = 0.1 psi/ft

All casing shall be new.

All casing strings shall have a minimum of 1 centralizer on each of the bottom 3 joints.

Up to 20' of conductor drive pipe may be used, minimum diameter 13 3/8"

#### 5. Cement

Job	Hole Size	Fill	Shawer Description	ft <sup>3</sup>	OH excess	Weight	Yield
JOD	noie Size	FIII	Slurry Description	sacks	OH excess	(ppg)	(ft <sup>3</sup> /sk)
Surface	12 1/4	500'	Class G w/ 2% KCl + 0.25 lbs/sk Cello	237	15%	15.8	1.17
	12 1/4	300	Flake	203	1370	13.6	1.17
Production	7 7/8	5,810'	Premium Lite II w/ 3% KCl + 10%	1158	15%	11.0	3.49
Lead	7 7/8	3,610	bentonite	332	1370	11.0	3.49
Production	7 7/8	1,550'	50/50 Poz/Class G w/ 3% KCl + 2%	309	15%	14.3	1.24
Tail	7 7/6	1,550	bentonite	249	15%	14.3	1.24

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the production casing string will be calculated from an open hole caliper log, plus 15% excess.

# 6. Type and Characteristics of Proposed Circulating Medium

#### **Interval**

#### **Description**

Surface - 500'

An air and or fresh water system will be utilized. If an air rig is used, the blooie the discharge may be less than 100' from the wellbore in order to minimize location size. The blooie line is not equipped with an automatic igniter. The air compressor may be located less than 100' from the well bore due to the low possibility of combustion with the air/dust mixture. A diverter bowl will be used in place of a rotating head. Water will be on location to be used as kill fluid, if necessary.

500' - TD

A water based mud system will be utilized. Hole stability may be improved with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite, and if conditions warrant, with barite.

Anticipated maximum mud weight is 8.8 ppg.

#### 7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the

surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A Gamma Ray log will be run from TD to surface. A cement bond log will be run from PBTD to the cement top behind the production

casing.

Cores: As deemed necessary.

DST: There are no DST's planned for this well.

# 8. Anticipated Abnormal Pressure or Temperature

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.45 psi/ft gradient.

$$7,360' \text{ x} \quad 0.45 \quad \text{psi/ft} = 3291 \quad \text{psi}$$

No abnormal temperature is expected. No H<sub>2</sub>S is expected.

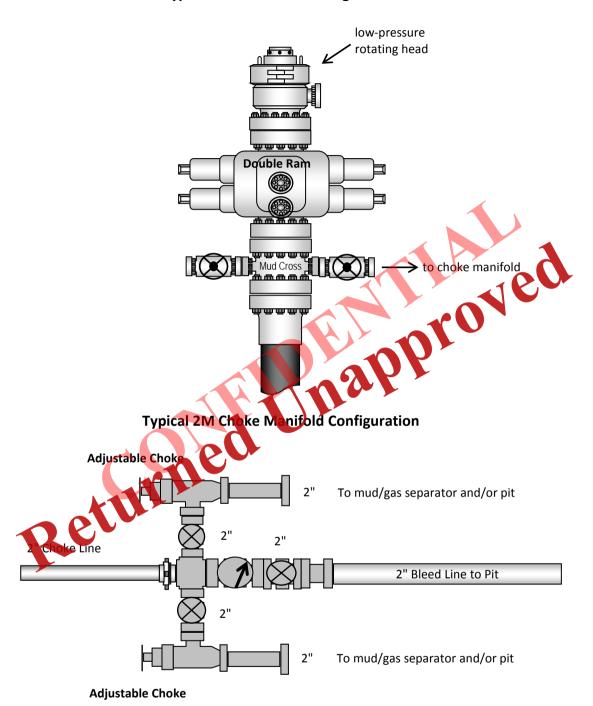
# 9. Other Aspects

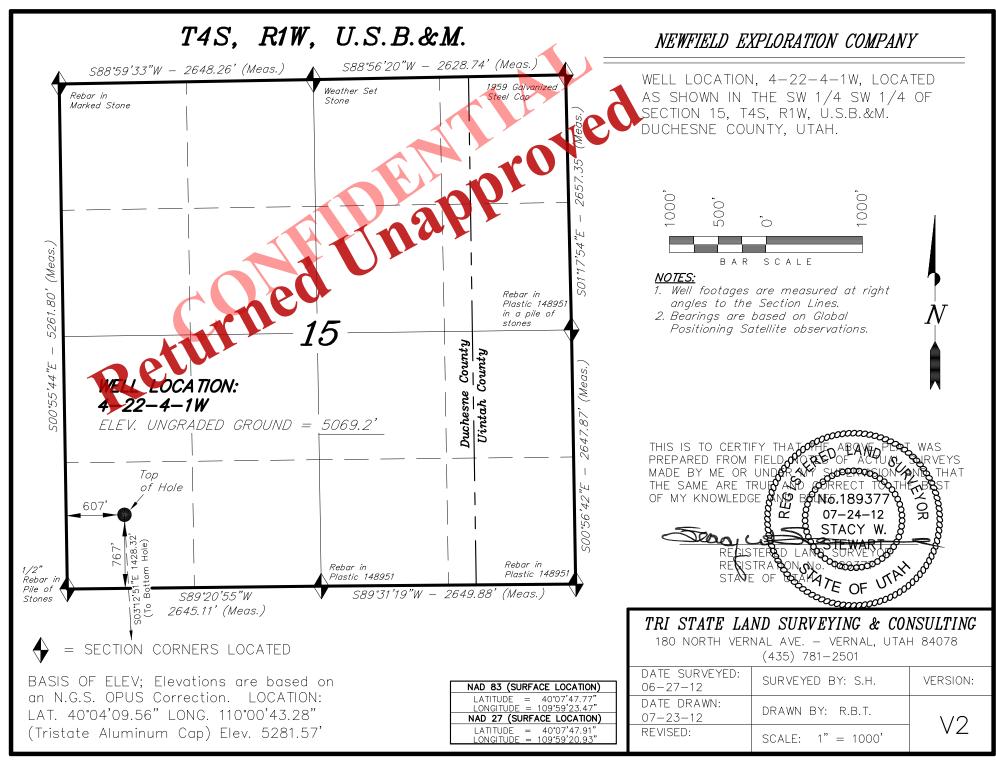
This is planned as a vertical well.

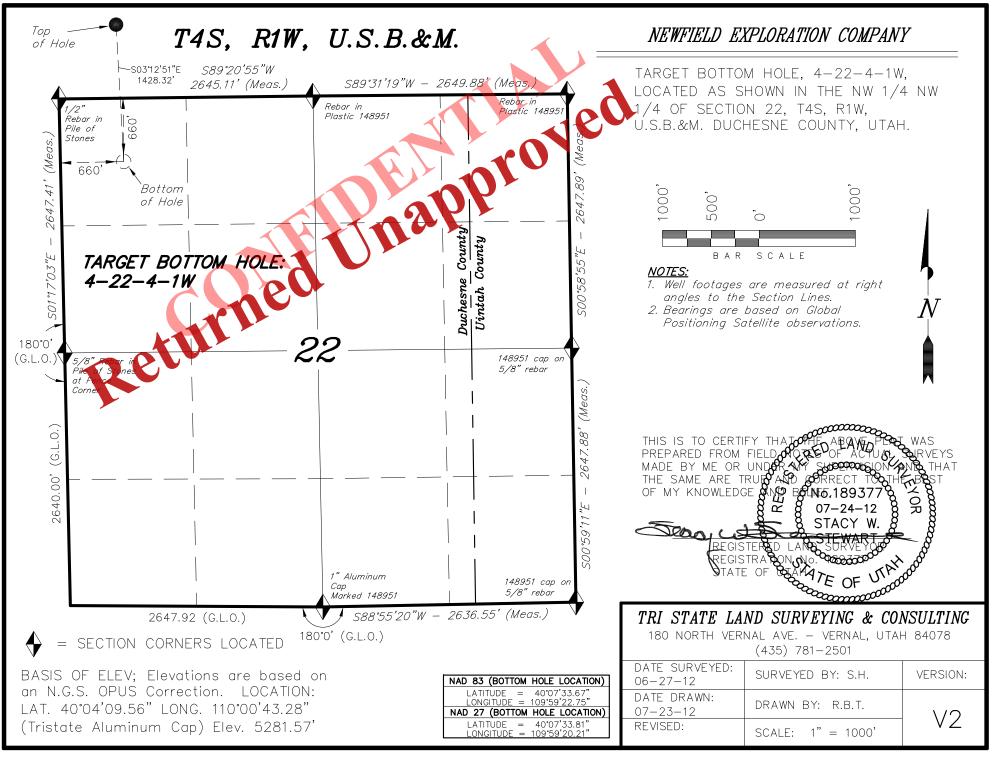
Newfield requests the following Variances from Onshore Order # 2:

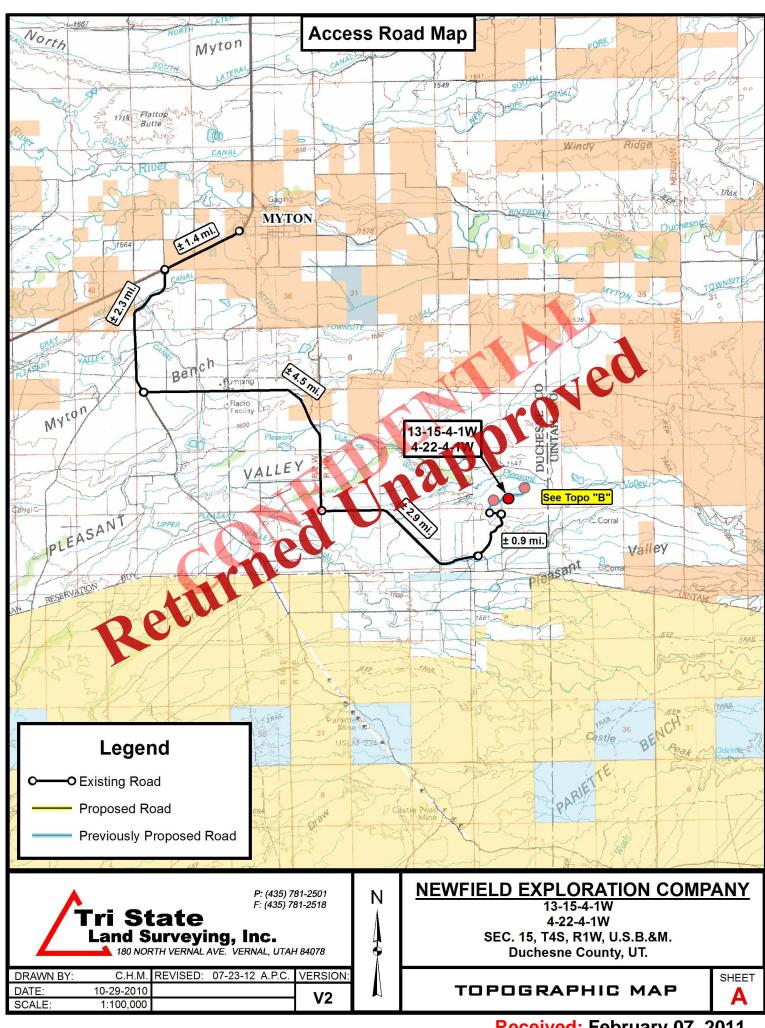
- Variance from Onshore Order 2, III.E.1 Refer to Newfield Production Company Standard Operating Practices "Ute Tribal Green River Development Program" paragraph 9.0

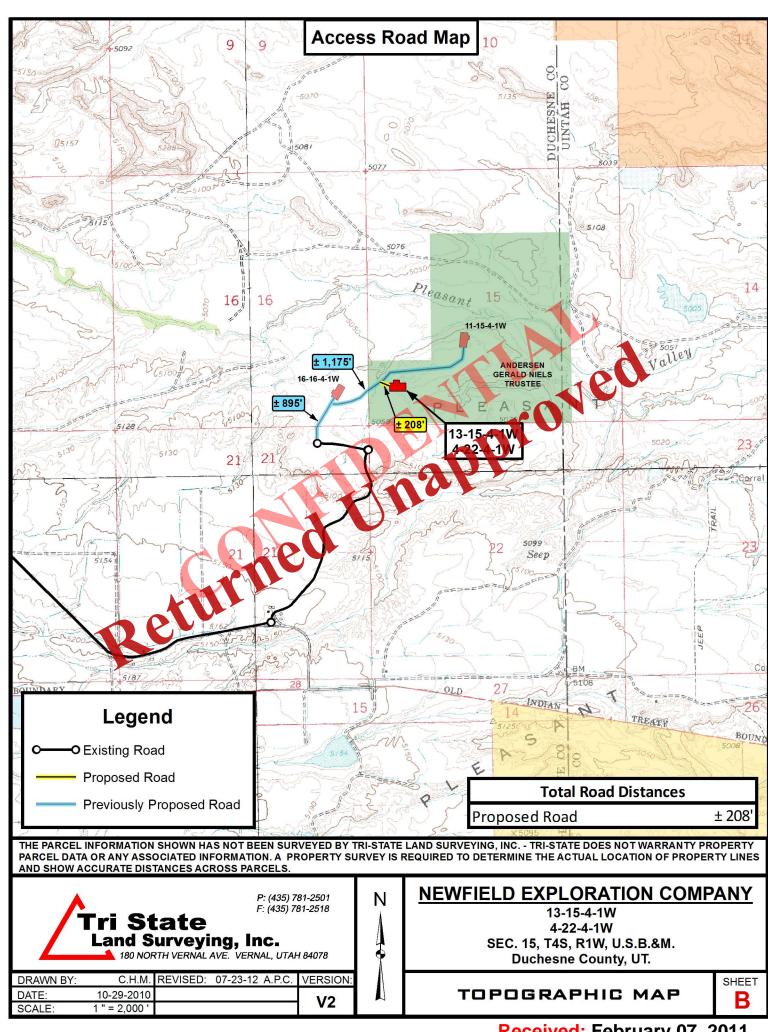
**Typical 2M BOP stack configuration** 

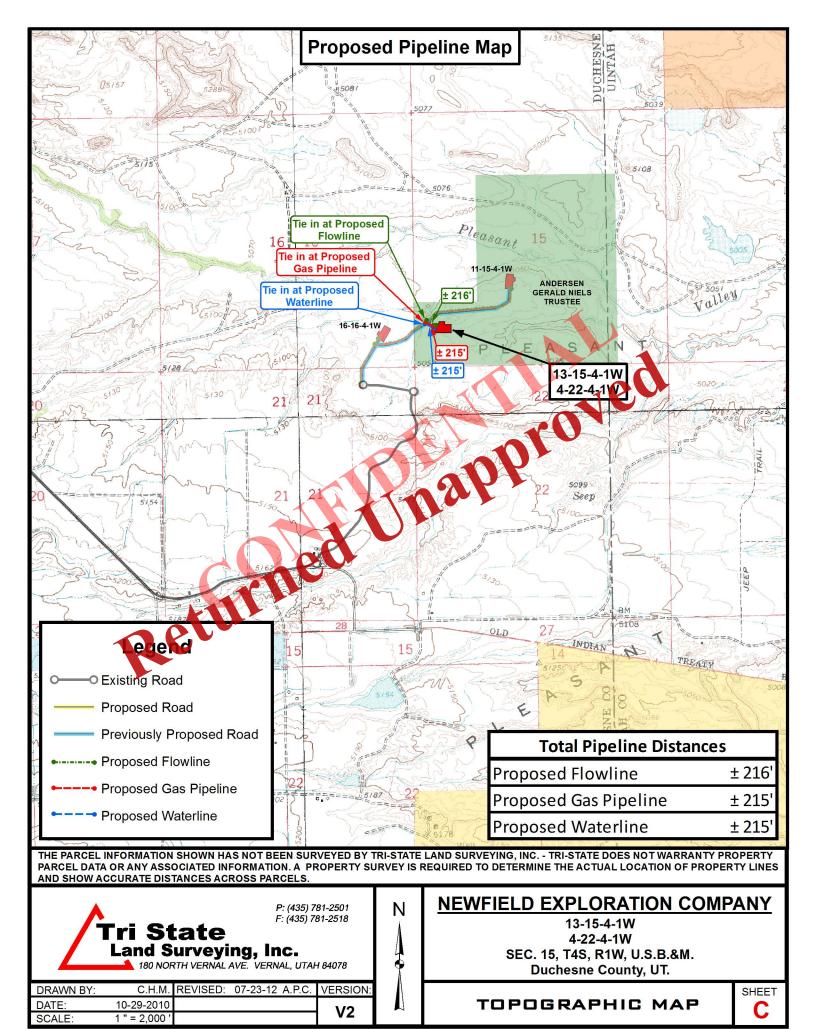


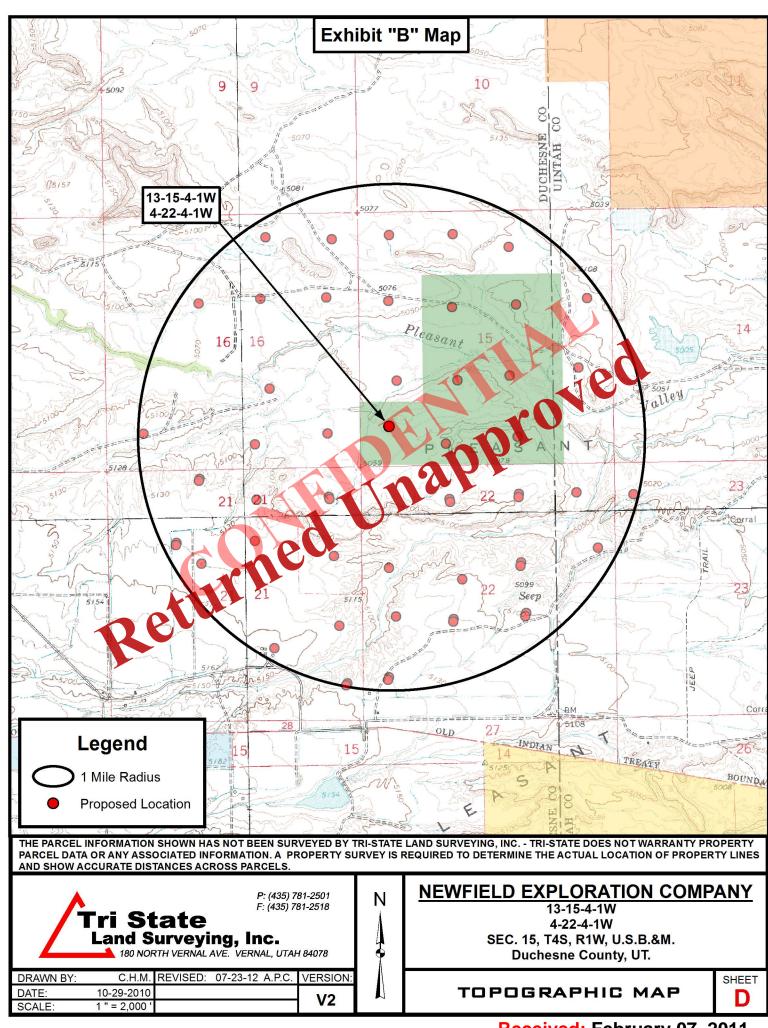












4-22-4-16

#### MEMORANDUM of EASEMENT, RIGHT-OF-WAY and SURFACE USE AGREEMENT

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into this 23<sup>rd</sup> day of November, 2009 by and between, **Gerald N. Andersen Family Trust, Gerald N. Andersen and Rhea J. Andersen whose address is 657 W. Lakeview Road, Lindon, Utah 84042**, ("Surface Owner," whether one or more) and Newfield Production Company, a Texas corporation ("NEWFIELD"), with offices at 1001 Seventeenth Street, Suite 2000, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Duchesne County, Utah described as follows:

Township 4 South, Range 1 West

Section 21: NENE (1-21-4-1)

NWNE (2-21-4-1)

NENW (3-21-4-1)

SENW (6-21-4-1) SWNE (7-21-4-1)

Section 22: NENW (3-22-4-1)

Section 22: NENW (3-22-4-1) NWNW (4-22-4-1)

Duchesne County, Utah Being 280 acres, more or less,

For and in consideration of the sum of ten follars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are bereby ack lowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

oved

#### Compensation for Well; Release of All Claims

NEWFILD shall pay to Surface Owner the sum as set forth in and according to the terms of that cotain cetter Agreement for Easement, Right-of Way and Surface Use by and between Surface Owner and NEWFILD, dated November 23<sup>rd</sup>, 2009 as full payment and satisfaction for any and all detriment, a preciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of NEWFILD's drilling or completion operations or its continuing activities for the production or transportation of oil, gas, or other hydrocarbons or products associated with the foregoing including, but not limited to, surface use, access, pipelines, gathering lines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

#### 2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, leases, assigns, and conveys to NEWFIELD an easement and right-of-way for the purpose of construction, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections for two years from date of this agreement and so long thereafter as NEWFIELD's oil and gas leases remain in effect.

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned. This agreement replaces and supersedes any and all prior agreements covering the lands described herein.

These Parties hereto have executed this document effective as of the day first above written.

GERALD N. ANDERSEN FAMILY TRUST

NEWFIELD PRODUCTION COMPANY

By Storald M Sudson

V. Andersen Trustee

By: Daniel W. Shewmake

By: Lean (Andorson)

Vice President - Development

Rhea I Andersen Trustee

Rhea J. Andersen, Trustee

	STATE OF UTAH	)		
	COUNTY OF	)ss )		
	This instrument was Andersen, as Trustee of the	acknowledged before Gerald N. Andersen F	e me this day of Neverber , 2009 by Gerald Family Trust.	N.
	Witness my hand and	d official seal.	1 0.	
	My commission expires	9/8/2013	Notary Public	
			HOLSEYPHRICASIAE CE UTRU COMMISSIONE 580018 COMM. FXP. 02-08-2013	
	STATE OF UTAH	) Acc		
	COUNTY OF Utah	)ss		
	This instrument was Andersen, as Trustee of the	acknowledged before	day of Acros 2009 by Rhea J.	
			The thy Trust.	
	Witness my hand an	d official seal.	1.11	
		21.1	Notary Public	
	My commussion expires	(18/200_	TINESTAL	
Retur			MOTAPY PURPLIES STATE OF UTALL COMMISSION & 500019 COMM. EXP. 09-08-2012	
	STATE OF COLORADO	)		
	COUNTY OF Denver	)ss		
	COUNTY OF Deliver	,		
	This instrument was Daniel W. Shewmake, Vice corporation, on behalf of the	President - Develop	e me this, 2009 by pment of Newfield Production Company, a Texas	
	Witness my hand an	d official seal.		
			Notary Public	
	My commission expires			

# NEWFIELD PRODUCTION COMPANY UTE TRIBAL 4-22-4-1W AT SURFACE: SW/SW SECTION 15, T4S, R1W DUCHESNE COUNTY, UTAH

#### ONSHORE ORDER NO. 1

#### MULTI-POINT SURFACE USE & OPERATIONS PLAN

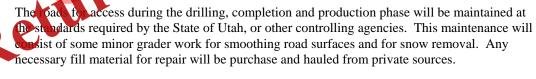
#### 1. EXISTING ROADS

See attached Topographic Map "A"

To reach Newfield Production Company well location site Ute Tribal 4-22-4-1W located in the SW 1/4 SW 1/4 Section 15, T4S, R1W, Duchesne County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.4 miles  $\pm$  to the junction of this highway and UT State Hwy 53; proceed in a southwesterly direction approximatel (2.3 miles to it's junction with an existing road to the east; proceed in an easterly and then southerly direction approximately 4.5 miles to it's junction with an existing road to the east proceed in a southeasterly direction approximately 2.9 miles to it's junction with an existing road to the northeast; proceed northeasterly approximately 0.9 miles to it's junction with an existing road to the west; proceed westerly approximately 0.2 miles to it's junction with an existing road to the northeast; proceed northeasterly  $-2.070^{\circ} \pm 10^{\circ}$  it's junction with the beginning of the proposed access road to the southeast; proceed southeasterly along the proposed access road approximately 208' to the proposed well location.

The aforementioned dirt oil feld service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy clay, hale material.



#### 2. PLANNED ACCESS ROAD

Approximately 208' of access road is proposed for the proposed well. See attached **Topographic Map "B"**.

The proposed access road will be an 20' crown road (10' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

There will be **no** culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

#### 3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

#### 4. <u>LOCATION OF EXISTING AND/OR PROPOSED FACILITIES</u>

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery, the well pad will be surrounded by a dike of sufficient capacity to contain at minimum 110% of the largest tank volume within the facility battery.

Tank batteries will be built to State specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six months of installation.

#### 5. LOCATION AND TYPE OF WATER SUPPLY

Newfield Production will transport water by truck from nearest water source as determined by a Newfield representative for the purpose of drilling the above denioned well. The available water sources are as follows:

Johnson Water District Water Right: 43-10136

Maurice Harvey Pond Water Right: 47-1358

Neil Moon Pend Water Right: 43-11787

Vewfield Collector Well

Water Right: 47-1817 (A30414DVA, contracted with the Duchesne County Conservancy District).

There will be no water well drilled at this site.

#### 6. SOURCE OF CONSTRUCTION MATERIALS

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

# 7. <u>METHODS FOR HANDLING WASTE DISPOSAL</u>

A small reserve pit (90' x 40' x 8' deep, or less) will be constructed from native soil and clay materials. The reserve pit will receive the processed drill cutting (wet sand, shale & rock) removed from the wellbore. Any drilling fluids, which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed. All drilling fluids will be fresh water based, typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride, chromates, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be required in the

reserve pit. However, if upon constructing the pit there is insufficient fine clay and silt present, a liner will be used for the purpose of reducing water loss through percolation.

Newfield requests approval that a flare pit not be constructed or utilized on this location.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

#### 8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

#### 9. <u>WELL SITE LAYOUT</u>

See attached Location Layout Sheet.

#### **Fencing Requirements**

All pits will be fenced according to the following minimum standards:

- a) A 39-inch net wire shall be used with at least one strand of harbed wire on top of the net.
- b) The net wire shall be no more than two (2) inclus above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be centered and or braced in such a manner to keep tight at all times
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) At whe shall be stretched, by using a stretching device, before it is attached to the corner

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Existing fences to be crossed by the access road will be braced and tied off before cutting so as to prevent slacking in the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM specifications.

#### 10. PLANS FOR RESTORATION OF SURFACE:

#### a) Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximated natural contours. Weather permitting, the reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

b) Dry Hole Abandoned Location

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the State of Utah will attach the appropriate surface rehabilitation conditions of approval.

# 11. <u>SURFACE OWNERSHIP</u> – Gerald N. Andersen.

#### 12. OTHER ADDITIONAL INFORMATION

The Archaeological Resource Survey and Paleontological Resource Survey for this area are attached. State of Utah Antiquities Project Permit #U-10-MQ-0846p 12/21/10, prepared by Montgomery Archaeological Consultants. Paleontological Resource Survey prepared by, SWCA Environmental Consultants, 12/3/10. See attached report cover pages, Exhibit "D".

Newfield Production Company requests 208' of planned access road to be granted. **Refer to Topographic Map "B".** Newfield Production Company requests 215' of surface gas line to be granted. Newfield Production Company requests 215' of buried water line to be granted.

It is proposed that the disturbed area will be 60' wide to allow for construction of the proposed access road, a 10" or smaller gas gathering line, a 4" poly fuel gas line, a buried 10" steet water injection line, a buried 3" poly water return line, and a and a 14" surface flow line. The planned access road will consist of a 20' permanent running surface (10' either side of the enterline) crowned and ditched in order to handle any run-off from any precipitation exents that are prevalent to this area. The maximum grade will be less than 8%. There will be no culverts required along this access road. There will be turnouts as needed along this road to allow for increases in potential traffic issues. There are no fences encountered long this proposed road. There will be no new gates or cattle guards required. All construction material for this access road will be borrowed material accumulated during construction of the access road.

Both the proposed surface gas and bried wat relines will tie in to the existing pipeline infrastructure. **Refer to Topographic Mar "C."** The proposed water pipelines will be buried in a 4-5' deep trench constructed with a trencher or backhoe for the length of the proposal. The equipment will run on the particle and not be flat bladed to minimize surface impacts to precious topsoil in these High Desert environments. If possible, all proposed surface gas pipelines will be installed on the same sade of the road as existing gas lines. The construction phase of the planned access read proposed gas lines and proposed water lines will last approximately (5) days.



form will be applied for through the Bureau of Land Management field office.

#### **Surface Flow Line**

Newfield requests 216' of surface flow line be granted. The Surface Flow Line will consist of up to a 14" bundled pipe consisting of 2-2" poly glycol lines and 1-3" production line. For all new wells, Newfield. **Refer to Topographic Map "C"** for the proposed location of the proposed flow line. Flow lines will be tan and will be constructed using the following procedures:

<u>Clearing and Grading</u>: No clearing or grading of the ROW will be required. The centerline of the proposed route will be staked prior to installation. Flow lines shall be placed as close to existing roads as possible without interfering with normal road travel or road maintenance activities. Due to the proximity of existing facilities, no temporary use or construction/storage areas are anticipated. If necessary, temporary use or construction/storage areas will be identified on a topographic map included in the approved permit.

<u>Installation:</u> The proposed flow lines will be installed 4-6" above the ground. For portions along existing two-track and primary access roads, lengths of pipe will be strung out in the borrow ditch, welded together, and rolled or dragged into place with heavy equipment. For pipelines that are installed cross-country (not along existing or proposed roads), travel along the lines will be infrequent and for maintenance needs only. No installation activities will be performed during periods when the soil is too wet to adequately support installation equipment. If such equipment

creates ruts in excess of three (3) inches deep, the soil will be deemed too wet to adequately support the equipment.

<u>Termination and Final Reclamation:</u> After abandonment of the associated production facilities, the flow lines will be cut and removed, and any incidental surface disturbance reclaimed. Reclamation procedures will follow those outlined in the Castle Peak and Eight Mile Flat Reclamation and Weed Management Plan.

- a) Newfield Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Newfield is to immediately stop work that might further disturb such materials and contact the Authorized Officer.
- b) Newfield Production will control noxious weeds along rights-of-way for roads, pipelines, well sites or other applicable facilities. On State administered land it is required that a Pesticide Use Proposal shall be submitted and given approval prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on State Lands after the conclusion of drilling operation of a party other time without State authorization. However, if State authorization is obtained it is only a temporary measure to allow time to make arrangements for per panent storage on commercial facilities.

#### Water Disposal

After first production, if the production water meets quality guidelines, I will be transported to the Ashley, Monument Butte, Jonah, South Wells Draw and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved class II wells to enhance Newfield's secondary recovery project. Water not meeting quality criteria, will be disposed at Newfield's Pariette #4 disposal well (Sec. 7, T9S R19E), Federally approved surface disposal facilities or at a State of Utah approved surface disposal facilities.

#### Additional Surface Stipulations

All lease and/or this operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations, Onshore Oil and Gas Orders, the approved plan of operations and any applicable lottice to Lessees. A copy of these conditions will be furnished to the field representative to ensure compliance.

#### **Hazardous Material Declaration**

Newfield Production Company guarantees that during the drilling and completion of the Ute Tribal 4-22-4-1W, Newfield will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Newfield also guarantees that during the drilling and completion of the Ute Tribal 4-22-4-1W, Newfield will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Newfield Production Company or a contractor employed by Newfield Production shall contact the State office at (801) 722-3417, 48 hours prior to construction activities.

The State office as well as the Ute Tribe Energy and Mineral Department shall be notified upon site completion prior to moving on the drilling rig.

#### 13. **LESSEE'S OR OPERATOR'S REPRENSENTATIVE AND CERTIFICATION:**

#### Representative

Name: Corey Miller

Address: Newfield Production Company

Route 3, Box 3630 Myton, UT 84052

Telephone: (435) 646-3721

#### Certification

Please be advised that Newfield Production Company is considered to be the operator of well #4-22-4-1W, SW/SW Section 15, T4S, R1W, Duchesne County, Utah and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage for this well is covered by the Bureau of Indian Affairs Bond #RLB0010462.

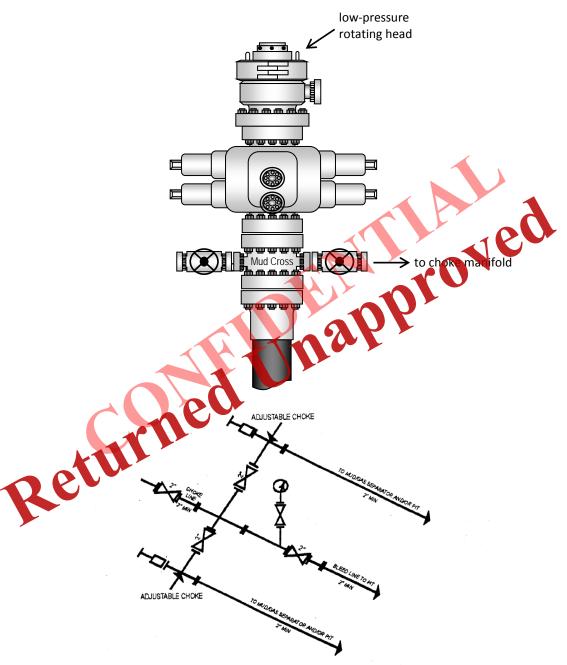
I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of the 18 U.S.C. 1001 for the filing of a false statement.

9/7/12

Date

Mandie Crozier Regulatory Analyst Newfield Production Company

# **Typical 2M BOP stack configuration**



2M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY



# **NEWFIELD EXPLORATION**

**USGS Myton SW (UT) SECTION 15 T4S, R1W** 4-22-4-1W

Standard Planning Report

18 September, 2012 andard Plar.

18 September, 2012

Received: September 19, 2012



# **Payzone Directional**

#### Planning Report



EDM 2003.21 Single User Db Database: Company: **NEWFIELD EXPLORATION** Project: USGS Myton SW (UT) Site: SECTION 15 T4S, R1W

Well: 4-22-4-1W Wellbore: Wellbore #1 Design #1 Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well 4-22-4-1W

4-22-4-1W @ 5081.2ft (Newfield Rig) 4-22-4-1W @ 5081.2ft (Newfield Rig)

Minimum Curvature

USGS Myton SW (UT), DUCHESNE COUNTY, UT, USA Project

US State Plane 1983 Map System:

North American Datum 1983 Geo Datum:

Map Zone: **Utah Central Zone** 

Mean Sea Level System Datum:

Site SECTION 15 T4S, R1W

7,221,618.19<sub>ft</sub> Northing: 40° 8' 7.199 N Site Position: Latitude: Easting: 2,064,643.83 ft 109° 58' 57.286 W From: Мар Longitude: **Position Uncertainty:** 0.0 ft Slot Radius: Grid Convergence: 0.97

4-22-4-1W, SHL LAT: 40 07 47.77 LONG: -109 59 23.47 Well

**Well Position** +N/-S -1,966.0 ft Northing: 7,219,618.19 ft Latitude: +E/-W -2,033.5 ft 2,062,643.83 ft Easting:

5,081.2 ft

**Position Uncertainty** 0.0 ft Wellhead Elevation: Longitude:

40° 7' 47.770 N 109° 59' 23.470 W 5,069.2 ft

Wellbore #1 Wellbore Magnetics **Model Name** Sample Date Declination Dip Angle Field Strength (nT) IGRF2010 9/17/2012 65.85 52,206

Design Design #1 **Audit Notes:** PROTOTYPE Version: Tie On Depth: 0.0 **Vertical Section:** +N/-S +E/-W Direction (ft) (ft) (°) 0.0 0.0 176.79

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
600.0	0.00	0.00	600.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,469.9	13.05	176.79	1,462.4	-98.5	5.5	1.50	1.50	20.32	176.79	
7,359.6	13.05	176.79	7,200.0	-1,426.1	80.0	0.00	0.00	0.00	0.00 4	-22-4-1W TVD



# **Payzone Directional**

Planning Report



Database: EDM 2003.21 Single User Db Company: NEWFIELD EXPLORATION Project: USGS Myton SW (UT) Site: SECTION 15 T4S, R1W

 Well:
 4-22-4-1W

 Wellbore:
 Wellbore #1

 Design:
 Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well 4-22-4-1W

4-22-4-1W @ 5081.2ft (Newfield Rig) 4-22-4-1W @ 5081.2ft (Newfield Rig)

True

Minimum Curvature

nigii.	Design #1								
nned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
	0.00						0.00		
200.0		0.00	200.0	0.0	0.0	0.0		0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	9.00	0.00
700.0	1.50	176.79	700.0	-1.3	0.1	1.3	1.50	1 50	0.00
				-1.3 -5.2	0.1	5.2	1.50	1.50	0.00
800.0	3.00	176.79	799.9					.50	
900.0	4.50	176.79	899.7	-11.8	0.7	11.8	1.50		0.00
1,000.0	6.00	176.79	999.3	-20.9	1.2	20.9	1.50	1.50	0.00
1,100.0	7.50	176.79	1,098.6	-32.6	1.8	32.7	1.50	1.50	0.00
1,200.0	9.00	176.79	1,197.5	-47.0	2.6	47.0	1.50	1.50	0.00
					2.0	41.0	1.50		
1,300.0	10.50	176.79	1,296.1	-63.9	3.6	04.0		1.50	0.00
1,400.0	12.00	176.79	1,394.2	-83.3	4.7	33.5	1.50	1.50	0.00
1,469.9	13.05	176.79	1,462.4	-98.5	5.5	98.6	1.50	1.50	0.00
1,500.0	13.05	176.79	1,491.7	-105.3		105.4	0.00	0.00	0.00
1,600.0	13.05	176.79	1,589.1	-1278	472	128.0	0.00	0.00	0.00
	13.05	176.79	1,686.6	150.3				0.00	
1,700.0					8.4	150.6	0.00		0.00
1,800.0	13.05	176.79	1,784.0	-172.9	9.7	173.2	0.00	0.00	0.00
1,900.0	13.05	176.79	1,881.4	-195.4	11.0	195.7	0.00	0.00	0.00
2,000.0	13.05	176.79	1 978 8	-218.0	12.2	218.3	0.00	0.00	0.00
2,100.0	13.05	176.79	2,076.2	-240.5	13.5	240.9	0.00	0.00	0.00
2,200.0	13.05		2.173.6	-263.0	14.8	263.5	0.00	0.00	0.00
		176.79							
2,300.0	13.05	176.79	2,271.1	-285.6	16.0	286.0	0.00	0.00	0.00
2,400.0	13/05	176.79	2,368.5	-308.1	17.3	308.6	0.00	0.00	0.00
2,500.0	13.05	76.79	2,465.9	-330.7	18.5	331.2	0.00	0.00	0.00
2,600.0	13.05	176.79	2,563.3	-353.2	19.8	353.8	0.00	0.00	0.00
2,700.0	13,05	176.79	2,660.7	-375.8	21.1	376.3	0.00	0.00	0.00
2,800.0	13.05	176.79	2,758.2	-398.3	22.3	398.9	0.00	0.00	0.00
2,000.0	13.05	170.79	2,730.2	-396.3	22.3	390.9	0.00	0.00	0.00
2,900.0	13.05	176.79	2,855.6	-420.8	23.6	421.5	0.00	0.00	0.00
3,000.0	13.05	176.79	2,953.0	-443.4	24.9	444.1	0.00	0.00	0.00
3,100.0	13.05	176.79	3,050.4	-465.9	26.1	466.7	0.00	0.00	0.00
3,200.0	13.05	176.79	3,147.8	-488.5	27.4	489.2	0.00	0.00	0.00
3,300.0	13.05	176.79	3,245.2	- <del>4</del> 66.5 -511.0	28.7	511.8	0.00	0.00	0.00
3,300.0	13.03	170.79	3,243.2	-311.0	20.7	311.0	0.00	0.00	0.00
3,400.0	13.05	176.79	3,342.7	-533.5	29.9	534.4	0.00	0.00	0.00
3,500.0	13.05	176.79	3,440.1	-556.1	31.2	557.0	0.00	0.00	0.00
3,600.0	13.05	176.79	3,537.5	-578.6	32.5	579.5	0.00	0.00	0.00
3,700.0	13.05	176.79	3,634.9	-601.2	33.7	602.1	0.00	0.00	0.00
3,800.0	13.05	176.79	3,732.3	-623.7	35.0	624.7	0.00	0.00	0.00
	10.00	110.18							
3,900.0	13.05	176.79	3,829.8	-646.2	36.2	647.3	0.00	0.00	0.00
4,000.0	13.05	176.79	3,927.2	-668.8	37.5	669.8	0.00	0.00	0.00
4,100.0	13.05	176.79	4,024.6	-691.3	38.8	692.4	0.00	0.00	0.00
4,200.0	13.05	176.79	4,122.0	-713.9	40.0	715.0	0.00	0.00	0.00
4,300.0	13.05	176.79	4,219.4	-736.4	41.3	737.6	0.00	0.00	0.00
4,400.0	13.05	176.79	4,316.8	-759.0	42.6	760.1	0.00	0.00	0.00
4,500.0	13.05	176.79	4,414.3	-781.5	43.8	782.7	0.00	0.00	0.00
4,600.0	13.05	176.79	4,511.7	-804.0	45.1	805.3	0.00	0.00	0.00
4,700.0	13.05	176.79	4,609.1	-826.6	46.4	827.9	0.00	0.00	0.00
4,800.0	13.05	176.79	4,706.5	-849.1	47.6	850.5	0.00	0.00	0.00
4,900.0	13.05	176.79	4,803.9	-871.7	48.9	873.0	0.00	0.00	0.00
5,000.0	13.05	176.79	4,901.4	-894.2	50.2	895.6	0.00	0.00	0.00
5,100.0	13.05	176.79	4,998.8	-916.7	51.4	918.2	0.00	0.00	0.00
5,200.0	13.05	176.79	5,096.2	-939.3	52.7	940.8	0.00	0.00	0.00



# **Payzone Directional**

Planning Report



Database: EDM 2003.21 Single User Db Company: NEWFIELD EXPLORATION Project: USGS Myton SW (UT)
Site: SECTION 15 T4S, R1W

 Well:
 4-22-4-1W

 Wellbore:
 Wellbore #1

 Design:
 Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well 4-22-4-1W

4-22-4-1W @ 5081.2ft (Newfield Rig) 4-22-4-1W @ 5081.2ft (Newfield Rig)

True

Minimum Curvature

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,300.0	13.05	176.79	5,193.6	-961.8	53.9	963.3	0.00	0.00	0.00
5,400.0	13.05	176.79	5,291.0	-984.4	55.2	985.9	0.00	0.00	0.00
5,500.0	13.05	176.79	5,388.4	-1,006.9	56.5	1,008.5	0.00	0.00	0.00
5,600.0	13.05	176.79	5,485.9	-1,029.5	57.7	1,031.1	0.00	0.00	0.00
5,700.0	13.05	176.79	5,583.3	-1,052.0	59.0	1,053.6	0.00	0.00	0.00
5,800.0	13.05	176.79	5,680.7	-1,074.5	60.3	1,076.2	0.00	0.00	0.00
5,900.0	13.05	176.79	5,778.1	-1,097.1	61.5	1,098.8	0.00	0.00	0.00
6,000.0	13.05	176.79	5,875.5	-1,119.6	62.8	1,121.4	0.00	0.00	0.00
6,100.0	13.05	176.79	5,973.0	-1,142.2	64.1	1,144.0	0.00	0.00	0.00
6,200.0	13.05	176.79	6,070.4	-1,164.7	65.3	1,166.5	0.00	0.00	0.00
6,300.0	13.05	176.79	6,167.8	-1,187.2	66.6	1,189.1	0.00	0.00	0.00
6,400.0	13.05	176.79	6,265.2	-1,209.8	67.8	1,211.7	0.00	0.00	0.00
6,500.0	13.05	176.79	6,362.6	-1,232.3	69.1	1,234.3	0.00	0.00	0.00
6,600.0	13.05	176.79	6,460.0	-1,254.9	70.4	1,256.8	0.00	0.00	0.00
6,700.0	13.05	176.79	6,557.5	-1,277.4	71.6	1,279.4	0.00	0.00	0.00
6,800.0	13.05	176.79	6,654.9	-1,299.9	72.9	1,302.0	0.00	0.00	0.00
6,900.0	13.05	176.79	6,752.3	-1,322,5	42	1,324.6	0.00	0.00	0.00
7,000.0	13.05	176.79	6,849.7	1345.0	75.4	1,347.1	0.00	0.00	0.00
7,100.0	13.05	176.79	6,947.1	-1,367.6	76.7	1,369.7	0.00	0.00	0.00
7,200.0	13.05	176.79	7,044.6	-1,390.1	78.0	1,392.3	0.00	0.00	0.00
7,300.0	13.05	176.79	7,142.0	-1,412.7	79.2	1,414.9	0.00	0.00	0.00
7,359.6	13.05	176.79	7,200	-1,426.1	80.0	1,428.3	0.00	0.00	0.00
	zet	dir							



Project: USGS Myton SW (UT) Site: SECTION 15 T4S, R1W

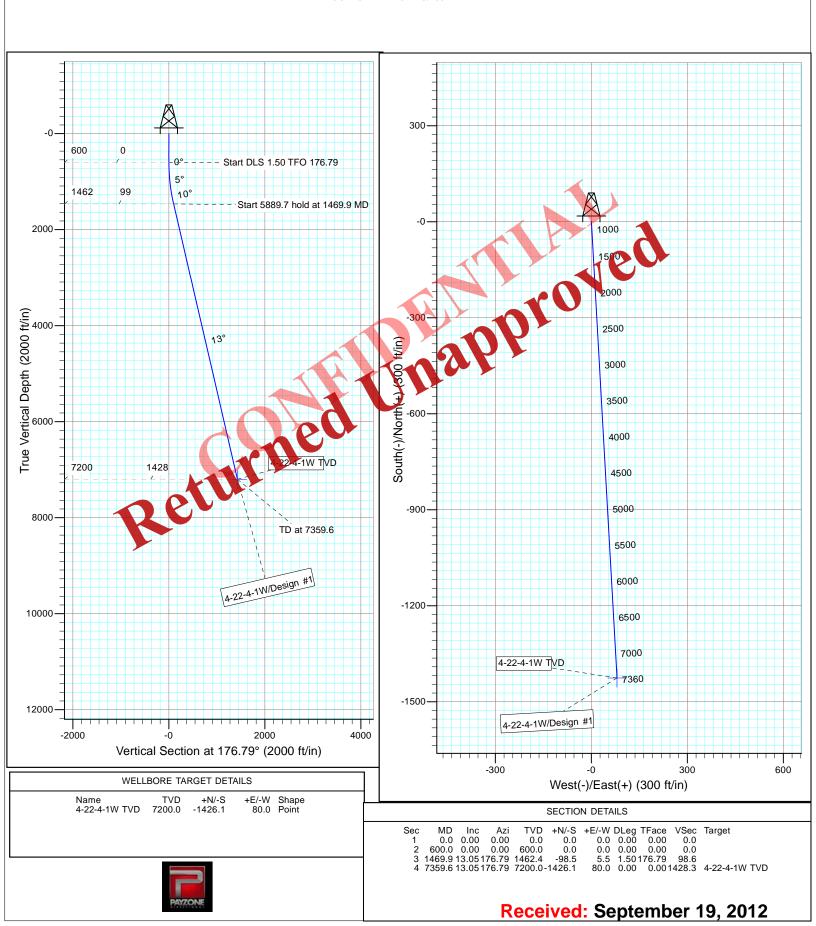
Well: 4-22-4-1W Wellbore: Wellbore #1 Design: Design #1

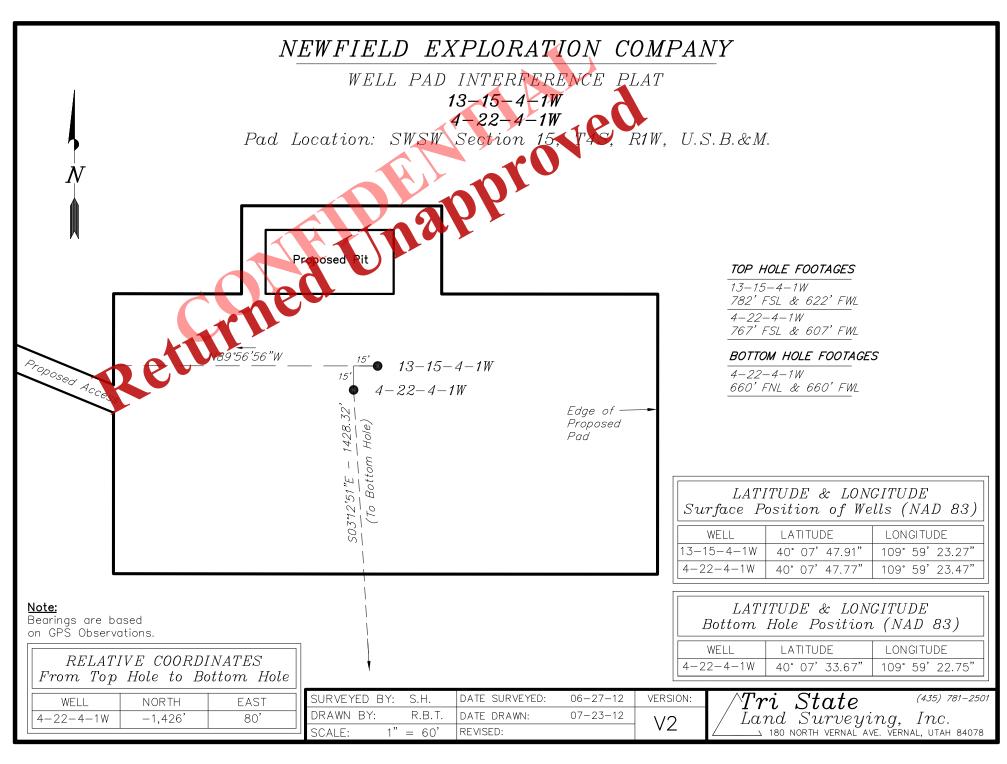


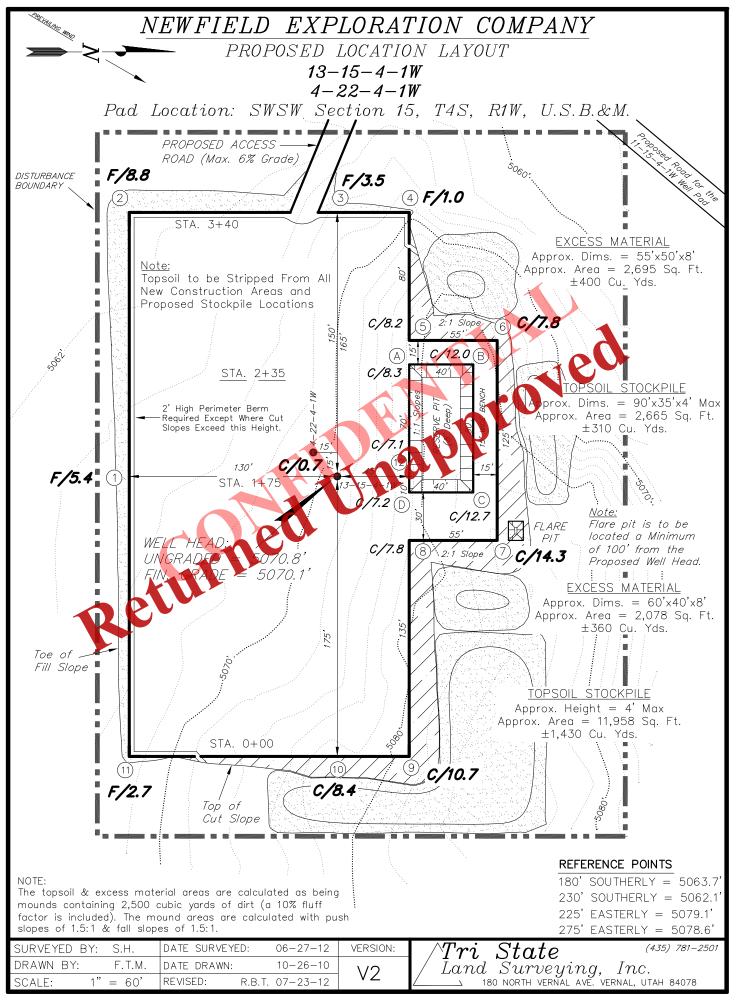
Azimuths to True North Magnetic North: 11.14°

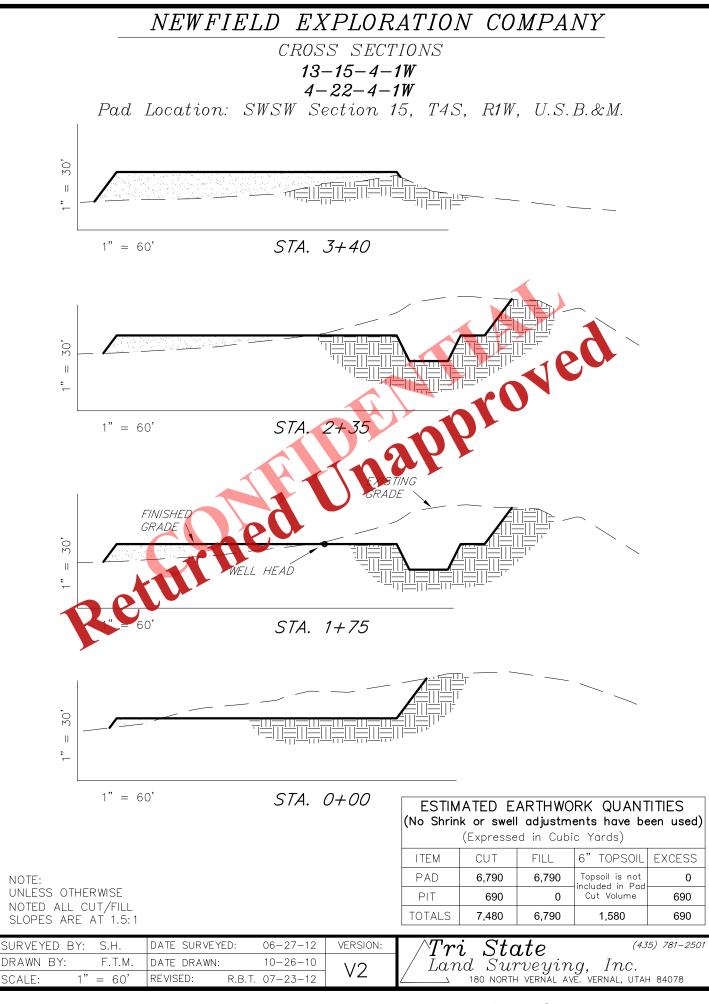
Magnetic Field Strength: 52205.9snT Dip Angle: 65.85° Date: 9/17/2012 Model: IGRF2010

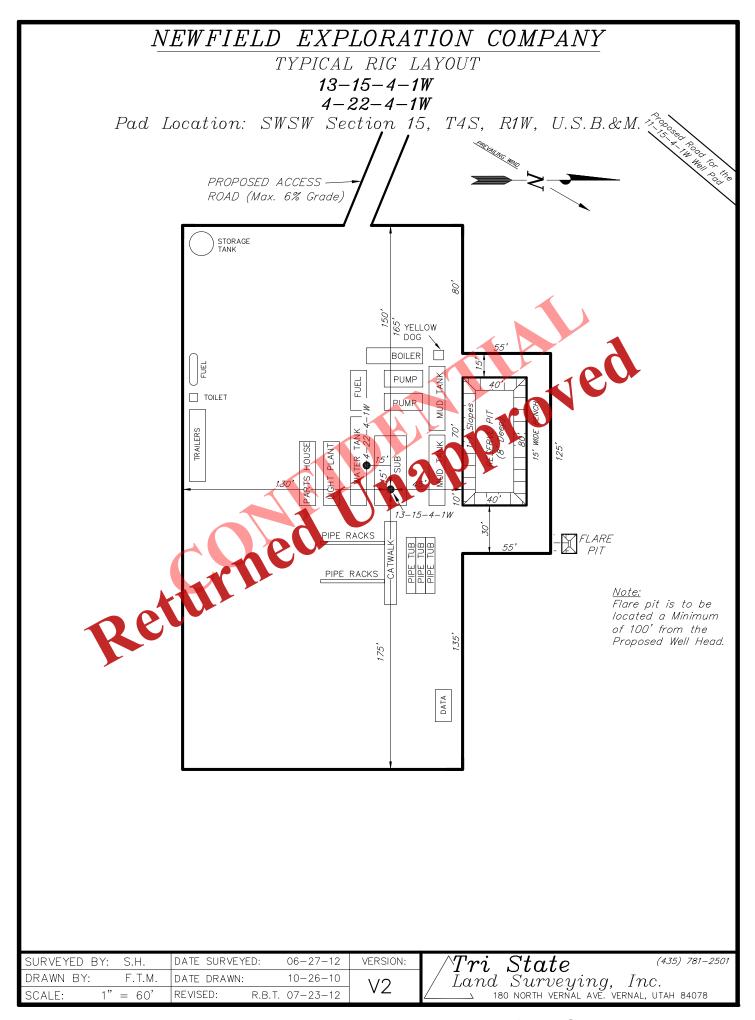
KOP @ 600' DOGLEG RATE 1.5 DEG/100









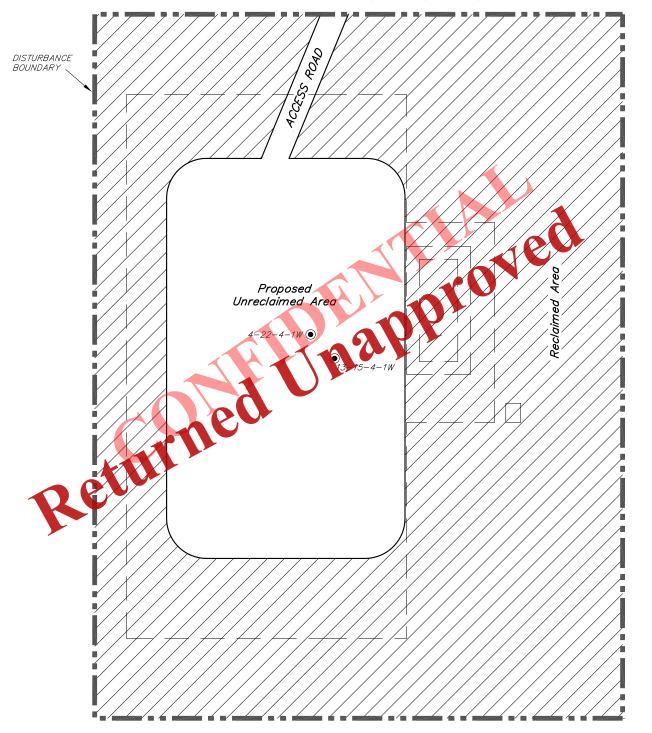


# NEWFIELD EXPLORATION COMPANY

RECLAMATION LAYOUT
13-15-4-1W
4-22-4-1W



Pad Location: SWSW Section 15, T4S, R1W, U.S.B.&M.



#### Notes

SCALE:

1" = 60'

1. Reclaimed Area to Include Seeding of Approved Vegetation and Sufficient Storm Water Management System.

2. Actual Equipment Layout and Reclaimed Pad Surface Area May Change due to Production Requirements or Site Conditions.

SURVEYED BY: S.H. DATE SURVEYED: 06-27-12 VERSION: DRAWN BY: R.B.T. DATE DRAWN: 07-23-12

REVISED:

#### DISTURBED AREA:

TOTAL DISTURBED AREA = 3.33 ACRES TOTAL RECLAIMED AREA = 2.44 ACRES

UNRECLAIMED AREA = 0.89 ACRES

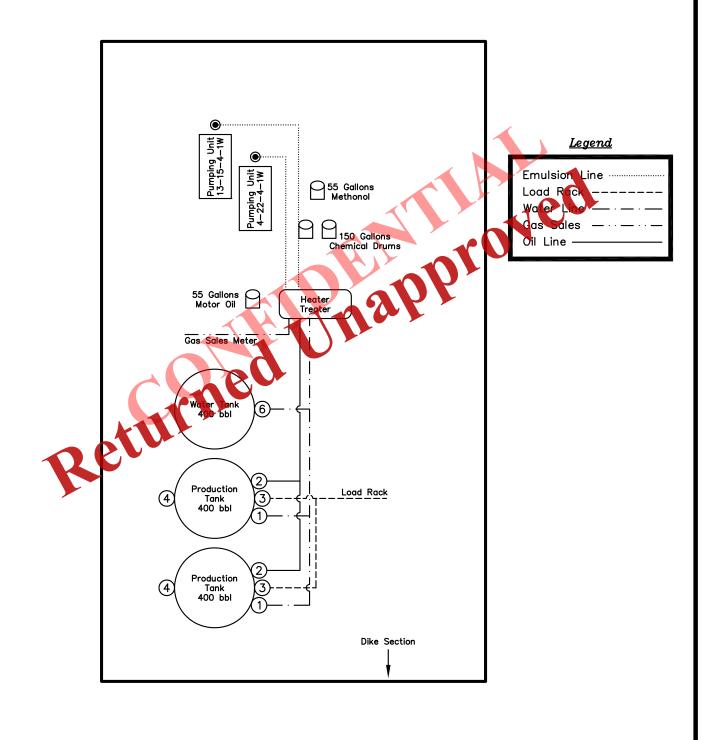
 $-\sqrt{Tri~State}$  (435) 781–2501 Land~Surveying,~Inc. 180 North vernal ave. Vernal, Utah 84078

# NEWFIELD EXPLORATION COMPANY

PROPOSED SITE FACILITY DIAGRAM

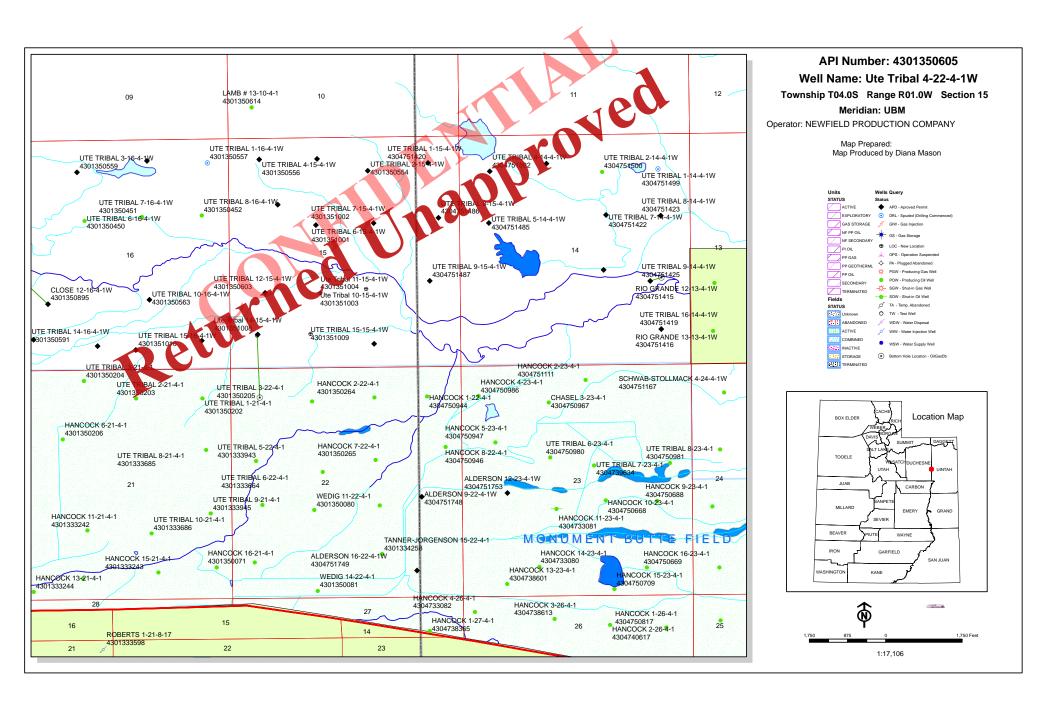
13-15-4-1W EDA #20G0005609 4-22-4-1W #20G0005609

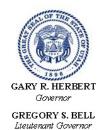
Pad Location: SWSW Section 15, T4S, R1W, U.S.B.&M. Duchesne County, Utah



NOT	TO	SCALE

SURVEYED BY:	S.H.	DATE SURVEYED:	06-27-12	VERSION:	$\wedge Tri$ $State$ (435) 781–2501
DRAWN BY:	R.B.T.	DATE DRAWN:	07-23-12	\/2	/ Land Surveying, Inc.
SCALE:	NONE	REVISED:		٧∠	180 NORTH VERNAL AVE. VERNAL, UTAH 84078





# State of Utah

#### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 27, 2013

NEWFIELD PRODUCTION COMPANY Rt 3 Box 3630 Myton, UT 84052

Re: Application for Permit to Drill - DUCHESNE County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the Ute Tribal 4-22-4-1W well, API 43013506050000 that was submitted February 07, 2011 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah



Form 3160-3 (August 2007)

# MECEIVED

FORM APPROVED OMB No. 1004-0137 Expires July 31, 2010

# UNITED STATES DEPARTMENT OF THE INTERIOR FOR BUREAU OF LAND MANAGEMENT

Lease Serial No. 14-20-H62-6123

APPLICATION FOR PERMIT TO D	6. If Indian, Allotee or Tr UTE	ibe Name					
la. Type of work:  DRILL  REENTER	7. If Unit or CA Agreement NA	, Name and No.					
lb. Type of Well: Oil Well Gas Well Other	<b>✓</b> Sii	ngle Zone Multi	ple Zone	8. Lease Name and Well N Ute Tribal 4-22-4-1W	о.		
Name of Operator Newfield Exploration				9, API Well No. 43-013-504	205		
3a. Address Route #3 Box 3630, Myton UT 84052		. (include area code) 646-3721		<ol><li>Field and Pool, or Explor Undesignated</li></ol>	atory		
4. Location of Well (Report location clearly and in accordance with any	State requirem	ents.*)		11. Sec., T. R. M. or Blk. and	Survey or Area		
At surface SW/SW 767' FSL 607' FWL Sec. 15 T45	R1W			Sec. 15, T4S R1W			
At proposed prod. zone NW/NW 660' FNL 660' FWL Se	ec. 15 T4S	R1W					
14. Distance in miles and direction from nearest town or post office* Approximately 12.4 miles southeast of Myton, UT			12. County or Parish Duchesne	13. State UT			
15. Distance from proposed*	16. No. of a	16. No. of acres in lease 17. Spaci		g Unit dedicated to this well			
location to nearest property or lease line, ft. Approx. 660' f/lse, NA' f/unit (Also to nearest drig. unit line, if any)	NA			40 Acres			
18. Distance from proposed location*	19. Proposed	Depth	20. BLM/E	/BIA Bond No. on file			
to nearest well, drilling, completed, applied for, on this lease, ft.  Approx. 1296'	7,36	60'	R	LB0010462			
11. Elevations (Show whether DF, KDB, RT, GL, etc.)	2. Approxim	nate date work will star	rt*	t* 23. Estimated duration			
5069' GL				(7) days from SPUD to r	ig release		
	24. Attac	hments					
he following, completed in accordance with the requirements of Onshore (	Oil and Gas (	Order No.1, must be at	tached to this	s form:			
. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System La.	nds the	<ul><li>4. Bond to cover the Item 20 above).</li><li>5. Operator certification</li></ul>		s unless covered by an existing	g bond on file (see		
SUPO must be filed with the appropriate Forest Service Office).		mation and/or plans as may be	required by the				
5. Signature		Printed/Typed)		Date			
1. Vandle Wyn	Mandie	e Crozier			11212		

2 Title

Regulatory Analyst

Approved by (Signature)

Name (Printed/Typedrry Kenczka

Lands & Mineral Resources

Office

**VERNAL FIELD OFFICE** 

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

\*(Instructions on page 2)

RECEIVED

DIV. OF OIL, GAS & MINING



# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

VERNAL FIELD OFFICE **VERNAL, UT 84078** 

(435) 781-4400



# CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Well No:

**Newfield Production Company** 

Ute Tribal 4-22-4-1W

API No:

43-013-50605

Location: Lease No: SWSW, Sec. 15, T4S, R1E

14-20-H62-6123

Agreement:

N/A

**OFFICE NUMBER:** 

(435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

# A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

# **NOTIFICATION REQUIREMENTS**

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	_	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov.
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: Ute Tribal 4-22-4-1W 12/21/2012

# SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- After cessation of drilling and completion operations, any visible or measurable layer of oil must be removed from the surface of the reserve pit and the pit kept free of oil.
- Pits must be free of oil and other liquid and solid wastes prior to filling. Pit liners must not be breached (cut) or filled (squeezed) while still containing fluids. The pit liner must be removed to the solids level or treated to prevent its reemergence to the surface or its interference with long-term successful revegetation.
- Reclamation will be completed in accordance with the recontouring and reseeding procedures
  outlined in the Newfield Exploration Company Castle Peak and Eight Mile Flat Reclamation Plan
  on file with the Vernal Field Office of the BLM, unless otherwise specified by the private surface
  owner.
- The surface conditions as set forth by the owners and/or agencies.

Page 3 of 6 Well: Ute Tribal 4-22-4-1W 12/21/2012

# DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

#### SITE SPECIFIC DOWNHOLE COAs:

- Cement for the 5 ½ casing will be brought to a minimum of 200 feet above the surface casing shoe.
- All original applicable Conditions of Approval shall apply.
- Variances to OO2, Section III.E shall be granted as requested regarding the air drilling program for the surface hole.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- <u>Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.</u>
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
  daily drilling report. Components shall be operated and tested as required by Onshore Oil &
  Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
  performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
  reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.

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- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
  is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
  Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
   Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum
   Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in CD (compact disc) format to the Vernal BLM Field Office. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

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#### **OPERATING REQUIREMENT REMINDERS:**

• All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at <a href="https://www.ONRR.gov">www.ONRR.gov</a>.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written
  communication and must be received in this office by not later than the fifth business day
  following the date on which the well is placed on production. The notification shall provide, as a
  minimum, the following informational items:
  - o Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will
  be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be
  reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major
  Events" will be reported in writing within 15 days. "Minor Events" will be reported on the
  Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if

performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM. Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
  Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
  and all future meter proving schedules. A copy of the meter calibration reports shall be
  submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API
  standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All
  measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior
  approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
  days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
  before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.